

ANTON HANDAL (Bar No. 113812)  
anh@handal-law.com  
PAMELA C. CHALK (Bar No. 216411)  
pchalk@handal-law.com  
GABRIEL HEDRICK (Bar No. 220649)  
ghedrick@handal-law.com  
HANDAL & ASSOCIATES  
750 B Street, Suite 2510  
San Diego, California 92101  
Tel: 619.544.6400  
Fax: 619.696.0323

Attorneys for Plaintiff  
e.Digital Corporation

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA**

e.Digital Corporation,

**Plaintiff,**

V.

Dropcam, Inc.

**Defendant.**

| Case No. '14CV1579 MMA/DHB

# **COMPLAINT FOR PATENT INFRINGEMENT**

## **Demand for Jury Trial**

Plaintiff e.Digital Corporation (“e.Digital” or “Plaintiff”), by and through its undersigned counsel, complains and alleges against Defendant Dropcam, Inc. (“Dropcam” or “Defendant”) as follows:

## **NATURE OF THE ACTION**

1. This is a civil action for infringement of a patent arising under the laws of the United States relating to patents, 35 U.S.C. § 101, *et seq.*, including, without limitation, 35 U.S.C. §§ 271, 281. Plaintiff e.Digital seeks a preliminary and permanent injunction and monetary damages for patent infringement.

## **JURISDICTION AND VENUE**

2. This court has subject matter jurisdiction over this case for patent

1 infringement under 28 U.S.C. §§ 1331 and 1338(a) and pursuant to the patent laws  
2 of the United States of America, 35 U.S.C. § 101, *et seq.*

3       3.     Venue properly lies within the Southern District of California  
4 pursuant to the provisions of 28 U.S.C. §§ 1391(b), (c), and (d) and 1400(b). On  
5 information and belief, Defendant conducts substantial business directly and/or  
6 through third parties or agents in this judicial district by selling and/or offering to  
7 sell the infringing products and/or by conducting other business in this judicial  
8 district. Furthermore, Plaintiff e.Digital is headquartered and has its principal  
9 place of business in this district, engages in business in this district, and has been  
10 harmed by Defendant's conduct, business transactions and sales in this district.

11      4.     This Court has personal jurisdiction over Defendant because, on  
12 information and belief, Defendant transacts continuous and systematic business  
13 within the State of California and the Southern District of California. In addition,  
14 this Court has personal jurisdiction over the Defendant because, on information  
15 and belief, this lawsuit arises out of Defendant's infringing activities, including,  
16 without limitation, the making, using, selling and/or offering to sell infringing  
17 products in the State of California and the Southern District of California. Finally,  
18 this Court has personal jurisdiction over Defendant because, on information and  
19 belief, Defendant has made, used, sold and/or offered for sale its infringing  
20 products and placed such infringing products in the stream of interstate commerce  
21 with the expectation that such infringing products would be made, used, sold  
22 and/or offered for sale within the State of California and the Southern District of  
23 California.

24      5.     Upon information and belief, certain of the products manufactured by  
25 or for Defendant have been and/or are currently sold and/or offered for sale at,  
26 among other places, the Dropcam website located at  
27 <https://www.dropcam.com/store> to consumers including, but not limited to,  
28 consumers located within the State of California, and County of San Diego.

## PARTIES

6. Plaintiff e.Digital is a Delaware corporation with its headquarters and principal place of business at 16870 West Bernardo Drive, Suite 120, San Diego, California 92127.

7. Upon information and belief, Defendant Dropcam is a corporation registered and lawfully existing under the laws of the State of Delaware, with an office and principal place of business located at 301 Howard Street, 4th Floor, San Francisco, CA 94105.

## **THE ACCUSED PRODUCTS**

8. The Defendant's accused products for purposes of the asserted patents include but are not limited to the Dropcam and Dropcam Pro wireless camera systems, which include, without limitation, Defendant's server and subscription services for remote monitoring and communication.

9. By way of example, information about and demonstration videos showing how to infringe the asserted patents are posted by Dropcam on its website(s) at [www.dropcam.com](http://www.dropcam.com). The Defendant infringes the asserted patents as evidenced by its demonstrations of the accused products on its website at [www.dropcam.com/live-demos](http://www.dropcam.com/live-demos). The Defendant advertises its infringing “Cloud Recording” services under at [www.dropcam.com/cloud-recording](http://www.dropcam.com/cloud-recording).

10. Dropcam also provides operating manuals, user or installation guides, knowledge base forums, instructional/informational videos on its website that instruct customers and end-users on how to purchase the Dropcam or Dropcam Pro cameras and set them up in conjunction with the Defendant's servers. Among other things, the Defendant provides informational materials that lays out step-by-step instructions on how to set up an apparatus or system that infringes the asserted claims of the asserted patents on its website including but no limited to the website located at <http://support.dropcam.com/entries/21661697-How-do-I-set-up-my-new-camera>. Further, Defendant's "Knowledge Base" contains detailed and

extensive instructions on how to use the accused products in an infringing manner at [www.support.dropcam.com/forums](http://www.support.dropcam.com/forums).

11. Plaintiff believes and thereupon alleges that Dropcam is aware that its customers and end-users are using the accused products in an infringing manner based on, among other things: 1) the discussions, questions, answers, and/or comments posted on its website and/or its Twitter website page ([twitter.com/Dropcam](http://twitter.com/Dropcam)) where Dropcam's authorized agents, customers and/or end-users discuss and disclose the use of the accused products, a process which Dropcam knows infringes upon patent; and/or, 2) the fact that Dropcam encourages its customers and end-users to use the accused products in an infringing manner as set forth herein including but not limited to offering every purchaser of a Dropcam a free trial subscription to its cloud-based services.

## THE ASSERTED PATENTS

12. On November 6, 2012, the United States Patent and Trademark office, duly and legally issued United States Patent No. 8,306,514, entitled “System and Method for Managing Mobile Communications” (“the ’514 patent”). The patent’s named inventor is Patrick Nunally and Plaintiff e.Digital is assignee and owner of the entire right, title and interest in and to the ’514 patent and vested with the right to bring this suit for damages and other relief. A true and correct copy of the ’514 patent is attached hereto as Exhibit “A”.

13. On November 13, 2012, the United States Patent and Trademark office, duly and legally issued United States Patent No. 8,311,522, entitled "System and Method for Managing Mobile Communications" ("the '522 patent"). The patent's named inventor is Patrick Nunally and Plaintiff e.Digital is assignee and owner of the entire right, title and interest in and to the '522 patent and vested with the right to bring this suit for damages and other relief. A true and correct copy of the '522 patent is attached hereto as Exhibit "B".

14. On November 13, 2012, the United States Trademark office, duly

1 and legally issued United States Patent No. 8,311,523, entitled “System and  
2 Method for Managing Mobile Communications” (“the ’523 patent”). The patent’s  
3 named inventor is Patrick Nunally and Plaintiff e.Digital is assignee and owner of  
4 the entire right, title and interest in and to the ’523 patent and vested with the right  
5 to bring this suit for damages and other relief. A true and correct copy of the ’523  
6 patent is attached hereto as Exhibit “C”.

7       15. On November 13, 2012, the United States and Trademark office, duly  
8 and legally issued United States Patent No. 8,311,524, entitled “System and  
9 Method for Managing Mobile Communications” (“the ’524 patent”). The patent’s  
10 named inventor is Patrick Nunally and Plaintiff e.Digital is assignee and owner of  
11 the entire right, title and interest in and to the ’524 patent and vested with the right  
12 to bring this suit for damages and other relief. A true and correct copy of the ’524  
13 patent is attached hereto as Exhibit “D”.

14        16. On November 20, 2012, the United States and Trademark office, duly  
15 and legally issued United States Patent No. 8,315,618, entitled "System and  
16 Method for Managing Mobile Communications" ("the '618 patent"). The patent's  
17 named inventor is Patrick Nunally and Plaintiff e.Digital is assignee and owner of  
18 the entire right, title and interest in and to the '618 patent and vested with the right  
19 to bring this suit for damages and other relief. A true and correct copy of the '618  
20 patent is attached hereto as Exhibit "E".

21       17. On November 20, 2012, the United States Patent and Trademark office, duly  
22 and legally issued United States Patent No. 8,315,619, entitled “System and  
23 Method for Managing Mobile Communications” (“the ’619 patent”). The patent’s  
24 named inventor is Patrick Nunally and Plaintiff e.Digital is assignee and owner of  
25 the entire right, title and interest in and to the ’619 patent and vested with the right  
26 to bring this suit for damages and other relief. A true and correct copy of the ’619  
27 patent is attached hereto as Exhibit “F”.

## COUNT ONE

## **INFRINGEMENT OF THE '514 PATENT BY DEFENDANT**

18. Plaintiff re-alleges and incorporates by reference each of the allegations set forth in paragraphs 1 through 17 above.

19. Defendant has knowledge of infringement of the '514 patent since at least the filing of this complaint.

20. Upon information and belief, Defendant, without authority, (a) has knowingly directly infringed and continues to directly infringe the '514 patent by making, using, offering to sell, selling within the United States, or importing into the United States, products that practice claims 1, 3, 4, 5, 6, 30, 32, and 33 of the '514 patent in violation of 35 U.S.C. § 271(a); (b) has induced and continues to induce infringement of claims 1, 3, 4, 5, 6, 30, 32, and 33 of the '514 patent in violation of 35 U.S.C. § 271(b); and (c) has contributed and continues to contribute to the infringement of claims 1, 3, 4, 5, 6, 30, 32, and 33 of the '514 patent in violation of 35 U.S.C. § 271(c).

21. The accused products, alone or in combination with other products, directly or alternatively under the doctrine of equivalents practice each of the limitations of independent claims 1, 5, and 30 as well as dependent claims 3, 4, 6, 32 and 33 of the '514 patent in violation of 35 U.S.C. § 271(a).

22. Defendant's product literature, materials and instructional videos also advertise and encourage customers to use the accused product(s) for remote monitoring, which utilizes the devices described by the '514 patent and in a manner Defendant knows infringes the patent.

23. Upon information and belief, Defendant, in the United States, without authority, has actively induced and continues to actively induce infringement of claims 1, 3, 4, 5, 6, 30, 32 and 33 of the '514 patent in violation of 35 U.S.C. § 271(b). In particular, Plaintiff alleges that the claims of the '514 patent are directly infringed by Defendant in violation of 35 U.S.C. § 271(a) in the course of their normal use. Also, Defendant encourages others to directly infringe the claims

1 of the '514 patent by among other things, advertising and promoting the sale and  
2 use of the accused products. Plaintiff also alleges that Defendant has knowingly  
3 induced and continues to induce infringement of the '514 patent by providing  
4 operating manuals, guides, instructional and /or informational videos and other  
5 materials designed to instruct others how to use the products in an infringing  
6 manner as more fully described herein.

7       24. Upon information and belief, Defendant, without authority, has  
8 contributed and continues to contribute to the infringement of claims 1, 3, 4, 5, 6,  
9 30, 32, and 33 of the '514 patent in violation of 35 U.S.C. § 271(c) by importing  
10 into the United States, selling and/or offering to sell within the United States  
11 accused products that it knows (a) infringe the aforementioned claims of the '514  
12 patent by embodying a System and Method for Managing Mobile Communications  
13 which includes but the Dropcam and Dropcam Pro wireless camera systems, and  
14 without limitation, Defendant's server and subscription services for remote  
15 monitoring and communication as material components of the accused products,  
16 (b) which were made and/or especially adapted for use in the accused products, (c)  
17 which the Defendant knows to be especially adapted for use in infringing the '514  
18 patent, and (d) are not staple articles of commerce suitable for substantial non-  
19 infringing use with respect to the '514 patent.

20        25. On information and belief, Defendant sells, ships or otherwise  
21 delivers the accused products in the United States with all the features required to  
22 infringe the asserted claims of the '514 patent. On information and belief, these  
23 products are designed to practice the infringing features.

24        26. Plaintiff has been irreparably harmed by these acts of infringement  
25 and has no adequate remedy at law. Upon information and belief, infringement of  
26 the '514 patent is ongoing and will continue unless Defendant is enjoined from  
27 further infringement by the court.

## COUNT TWO

## **INFRINGEMENT OF THE '522 PATENT BY DEFENDANT**

27. Plaintiff re-alleges and incorporates by reference each of the allegations set forth in paragraphs 1 through 17 above.

28. Defendant has knowledge of infringement of the '522 patent since at least the filing of this complaint.

29. Upon information and belief, Defendant, without authority, (a) has knowingly directly infringed and continues to directly infringe the '522 patent by making, using, offering to sell, selling within the United States, or importing into the United States, products that practice claims 1, 3, 6, 17, 21, 24 and 25 of the '522 patent in violation of 35 U.S.C. § 271(a); (b) has induced and continues to induce infringement of claims 1, 3, , 6, 17, 21, 24 and 25 of the '522 patent in violation of 35 U.S.C. § 271(b); and (c) has contributed and continues to contribute to the infringement of claims 1, 3, 6, 17, 21, 24 and 25 of the '522 patent in violation of 35 U.S.C. § 271(c).

30. The accused products, alone or in combination with other products, directly or alternatively under the doctrine of equivalents practice each of the limitations of independent claims 1 and 17 as well as dependent claims 3, 6, 21, 24 and 25 of the '522 patent in violation of 35 U.S.C. § 271(a).

31. Defendant's product literature, materials and instructional videos also advertise and encourage customers to use the accused product(s) for remote monitoring, which utilizes the devices described by the '522 patent and in a manner Defendant knows infringes the patent.

32. Upon information and belief, Defendant, in the United States, without authority, has also actively induced and continues to actively induce infringement of claims 1, 3, , 6, 17, 21, 24 and 25 of the '522 patent in violation of 35 U.S.C. § 271(b). In particular, Plaintiff alleges that the claims of the '522 patent are directly infringed by Defendant in violation of 35 U.S.C. § 271(a) in the course of their normal use. Also, Defendant encourages others to directly infringe the claims of

1 the ‘522 patent by among other things, advertising and promoting the sale and use  
2 of the accused products. Plaintiff also alleges that Defendant has knowingly  
3 induced and continues to induce infringement of the ‘522 patent by providing  
4 operating manuals, guides, instructional and /or informational videos and other  
5 materials designed to instruct others how to use the products in an infringing  
6 manner as more fully described herein.

7       33. Upon information and belief, Defendant, without authority, has  
8 contributed and continues to contribute to the infringement of claims 1, 3, 6, 17,  
9 21, 24 and 25 of the '522 patent in violation of 35 U.S.C. § 271(c) by importing  
10 into the United States, selling and/or offering to sell within the United States  
11 accused products that it knows (a) infringe the aforementioned claims of the '522  
12 patent by embodying a System and Method for Managing Mobile Communications  
13 which includes but the Dropcam and Dropcam Pro wireless camera systems, and  
14 without limitation, Defendant's server and subscription services for remote  
15 monitoring and communication as material components of the accused products,  
16 (b) which were made and/or especially adapted for use in the accused products, (c)  
17 which the Defendant knows to be especially adapted for use in infringing the '522  
18 patent, and (d) are not staple articles of commerce suitable for substantial non-  
19 infringing use with respect to the '522 patent.

20       34. On information and belief, Defendant sells, ships or otherwise  
21 delivers the accused products with all the features required to infringe the asserted  
22 claims of the '522 patent. On information and belief, these products are designed  
23 to practice the infringing features.

24       35. Plaintiff has been irreparably harmed by these acts of infringement  
25 and has no adequate remedy at law. Upon information and belief, infringement of  
26 the '522 patent is ongoing and will continue unless Defendant is enjoined from  
27 further infringement by the court.

## COUNT THREE

## **INFRINGEMENT OF THE '523 PATENT BY DEFENDANT**

36. Plaintiff re-alleges and incorporates by reference each of the allegations set forth in paragraphs 1 through 17 above.

37. Defendant has knowledge of infringement of the '523 patent since at least the filing of this complaint.

38. Upon information and belief, Defendant, without authority, (a) has knowingly directly infringed and continues to directly infringe the '523 patent by making, using, offering to sell, selling within the United States, or importing into the United States, products that practice claims 1, 3, 4, 6, 8, 9, 10, 19, 21, 23, 25 and 26 of the '523 patent in violation of 35 U.S.C. § 271(a); (b) has induced and continues to induce infringement of claims 1, 3, 4, 6, 8, 9, 10, 19, 21, 23, 25 and 26 of the '523 patent in violation of 35 U.S.C. § 271(b); and (c) has contributed and continues to contribute to the infringement of claims 1, 3, 4, 6, 8, 9, 10, 19, 21, 23, 25 and 26 of the '523 patent in violation of 35 U.S.C. § 271(c).

39. The accused products, alone or in combination with other products, directly or alternatively under the doctrine of equivalents practice each of the limitations of independent claims 1 and 19 as well as dependent claims 3, 4, 6, 8, 9, 10, 21, 23, 25 and 26 of the '523 patent in violation of 35 U.S.C. § 271(a).

40. Defendant's product literature, materials and instructional videos also advertise and encourage customers to use the accused product(s) for remote monitoring, which utilizes the devices described by the '523 patent and in a manner Defendant knows infringes the patent.

41. Upon information and belief, Defendant, in the United States, without authority, has also actively induced and continues to actively induce infringement of claims 1, 3, 4, 6, 8, 9, 10, 19, 21, 23, 25 and 26 of the '523 patent in violation of 35 U.S.C. § 271(b). In particular, Plaintiff alleges that the claims of the '523 patent are directly infringed by Defendant in violation of 35 U.S.C. § 271(a) in the course of their normal use. Also, Defendant encourages others to directly infringe

1 the claims of the '523 patent by among other things, advertising and promoting the  
2 sale and use of the accused products. Plaintiff also alleges that Defendant has  
3 knowingly induced and continues to induce infringement of the '523 patent by  
4 providing operating manuals, guides, instructional and /or informational videos and  
5 other materials designed to instruct others how to use the products in an infringing  
6 manner as more fully described herein.

7       42. Upon information and belief, Defendant, without authority, has  
8 contributed and continues to contribute to the infringement of claims 1, 3, 4, 6, 8,  
9 9, 10, 19, 21, 23, 25 and 26 of the '523 patent in violation of 35 U.S.C. § 271(c) by  
10 importing into the United States, selling and/or offering to sell within the United  
11 States accused products that it knows (a) infringe the aforementioned claims of the  
12 '523 patent by embodying a System and Method for Managing Mobile  
13 Communications which includes but the Dropcam and Dropcam Pro wireless  
14 camera systems, and without limitation, Defendant's server and subscription  
15 services for remote monitoring and communication as material components of the  
16 accused products, (b) which were made and/or especially adapted for use in the  
17 accused products, (c) which the Defendant knows to be especially adapted for use  
18 in infringing the '523 patent, and (d) are not staple articles of commerce suitable  
19 for substantial non-infringing use with respect to the '523 patent.

20       43. On information and belief, Defendant sells, ships or otherwise  
21 delivers the accused products with all the features required to infringe the asserted  
22 claims of the '523 patent. On information and belief, these products are designed  
23 to practice the infringing features.

24       44. Plaintiff has been irreparably harmed by these acts of infringement  
25 and has no adequate remedy at law. Upon information and belief, infringement of  
26 the '523 patent is ongoing and will continue unless Defendant is enjoined from  
27 further infringement by the court.

28

**COUNT FOUR**

## **INFRINGEMENT OF THE '524 PATENT BY DEFENDANT**

45. Plaintiff re-alleges and incorporates by reference each of the allegations set forth in paragraphs 1 through 17 above.

46. Defendant has knowledge of infringement of the '524 patent since at least the filing of this complaint.

47. Upon information and belief, Defendant, without authority, (a) has knowingly directly infringed and continues to directly infringe the '524 patent by making, using, offering to sell, selling within the United States, or importing into the United States, products that practice claims 1, 3, 4, 5, 7 and 9 of the '524 patent in violation of 35 U.S.C. § 271(a); (b) has induced and continues to induce infringement of claims 1, 3, 4, 5, 7 and 9 of the '524 patent in violation of 35 U.S.C. § 271(b); and (c) has contributed and continues to contribute to the infringement of claims 1, 3, 4, 5, 7 and 9 of the '524 patent in violation of 35 U.S.C. § 271(c).

48. The accused products, alone or in combination with other products, directly or alternatively under the doctrine of equivalents practice each of the limitations of independent claims 1 as well as dependent claims 3, 4, 5, 7 and 9 of the '524 patent in violation of 35 U.S.C. § 271(a).

49. Defendant's product literature, materials and instructional videos also advertise and encourage customers to use the accused product(s) for remote monitoring, which utilizes the devices described by the '524 patent and in a manner Defendant knows infringes the patent.

50. Upon information and belief, Defendant, in the United States, without authority, has also actively induced and continues to actively induce infringement of claims 1, 3, 4, 5, 7 and 9 of the '524 patent in violation of 35 U.S.C. § 271(b). In particular, Plaintiff alleges that the claims of the '524 patent are directly infringed by Defendant in violation of 35 U.S.C. § 271(a) in the course of their normal use. Also, Defendant encourages others to directly infringe the claims of

1 the '524 patent by among other things, advertising and promoting the sale and use  
2 of the accused products. Plaintiff also alleges that Defendant has knowingly  
3 induced and continues to induce infringement of the '524 patent by providing  
4 operating manuals, guides, instructional and /or informational videos and other  
5 materials designed to instruct others how to use the products in an infringing  
6 manner as more fully described herein.

7       51. Upon information and belief, Defendant, without authority, has  
8 contributed and continues to contribute to the infringement of claims 1, 3, 4, 5, 7  
9 and 9 of the '524 patent in violation of 35 U.S.C. § 271(c) by importing into the  
10 United States, selling and/or offering to sell within the United States accused  
11 products that it knows (a) infringe the aforementioned claims of the '524 patent by  
12 embodying a System and Method for Managing Mobile Communications which  
13 includes but the Dropcam and Dropcam Pro wireless camera systems, and without  
14 limitation, Defendant's server and subscription services for remote monitoring and  
15 communication as material components of the accused products, (b) which were  
16 made and/or especially adapted for use in the accused products, (c) which the  
17 Defendant knows to be especially adapted for use in infringing the '524 patent, and  
18 (d) are not staple articles of commerce suitable for substantial non-infringing use  
19 with respect to the '524 patent.

20       52. On information and belief, Defendant sells, ships or otherwise  
21 delivers the accused products with all the features required to infringe the asserted  
22 claims of the '524 patent. On information and belief, these products are designed  
23 to practice the infringing features.

24       53. Plaintiff has been irreparably harmed by these acts of infringement  
25 and has no adequate remedy at law. Upon information and belief, infringement of  
26 the '524 patent is ongoing and will continue unless Defendant is enjoined from  
27 further infringement by the court.

28

**COUNT FIVE**

## **INFRINGEMENT OF THE '618 PATENT BY DEFENDANT**

54. Plaintiff re-alleges and incorporates by reference each of the allegations set forth in paragraphs 1 through 17 above.

55. Defendant has knowledge of infringement of the '618 patent since at least the filing of this complaint.

56. Upon information and belief, Defendant, without authority, (a) has knowingly directly infringed and continues to directly infringe the '618 patent by making, using, offering to sell, selling within the United States, or importing into the United States, products that practice claims 1, 3, 4, 15, 19, 20, 21, 22, 23, 24, and 25 of the '618 patent in violation of 35 U.S.C. § 271(a); (b) has induced and continues to induce infringement of claims 1, 3, 4, 15, 19, 20 21, 22, 23, 24, and 25 of the '618 patent in violation of 35 U.S.C. § 271(b); and (c) has contributed and continues to contribute to the infringement of claims 1, 3, 4, 15, 19, 20 21, 22, 23, 24, and 25 of the '618 patent in violation of 35 U.S.C. § 271(c).

57. The accused products, alone or in combination with other products, directly or alternatively under the doctrine of equivalents practice each of the limitations of independent claims 1, 15, and 20 as well as dependent claims 3, 4, 19, 21, 23, 24, and 25 of the '618 patent in violation of 35 U.S.C. § 271(a).

58. Defendant's product literature, materials and instructional videos also advertise and encourage customers to use the accused product(s) for remote monitoring, which utilizes the devices described by the '618 patent and in a manner Defendant knows infringes the patent.

59. Upon information and belief, Defendant, in the United States, without authority, has also actively induced and continues to actively induce infringement of claims 1, 3, 4, 15, 19, 20 21, 23, 24, and 25 of the '618 patent in violation of 35 U.S.C. § 271(b). In particular, Plaintiff alleges that the claims of the '618 patent are directly infringed by Defendant in violation of 35 U.S.C. § 271(a) in the course of their normal use. Also, Defendant encourages others to directly infringe the

1 claims of the '618 patent by among other things, advertising and promoting the  
2 sale and use of the accused products. Plaintiff also alleges that Defendant has  
3 knowingly induced and continues to induce infringement of the '618 patent by  
4 providing operating manuals, guides, instructional and /or informational videos and  
5 other materials designed to instruct others how to use the products in an infringing  
6 manner as more fully described herein.

7       60. Upon information and belief, Defendant, without authority, has  
8 contributed and continues to contribute to the infringement of claims 1, 3, 4, 15,  
9 19, 20 21, 23, 24, and 25 of the '618 patent in violation of 35 U.S.C. § 271(c) by  
10 importing into the United States, selling and/or offering to sell within the United  
11 States accused products that it knows (a) infringe the aforementioned claims of the  
12 '618 patent by embodying a System and Method for Managing Mobile  
13 Communications which includes but the Dropcam and Dropcam Pro wireless  
14 camera systems, and without limitation, Defendant's server and subscription  
15 services for remote monitoring and communication as material components of the  
16 accused products, (b) which were made and/or especially adapted for use in the  
17 accused products, (c) which the Defendant knows to be especially adapted for use  
18 in infringing the '618 patent, and (d) are not staple articles of commerce suitable  
19 for substantial non-infringing use with respect to the '618 patent.

20       61. On information and belief, Defendant sells, ships or otherwise  
21 delivers the accused products with all the features required to infringe the asserted  
22 claims of the '618 patent. On information and belief, these products are designed  
23 to practice the infringing features.

24       62. Plaintiff has been irreparably harmed by these acts of infringement  
25 and has no adequate remedy at law. Upon information and belief, infringement of  
26 the '618 patent is ongoing and will continue unless Defendant is enjoined from  
27 further infringement by the court.

28

**COUNT SIX**

## **INFRINGEMENT OF THE '619 PATENT BY DEFENDANT**

63. Plaintiff re-alleges and incorporates by reference each of the allegations set forth in paragraphs 1 through 17 above.

64. Defendant has knowledge of infringement of the '619 patent since at least the filing of this complaint.

65. Upon information and belief, Defendant, without authority, (a) has knowingly directly infringed and continues to directly infringe the '619 patent by making, using, offering to sell, selling within the United States, or importing into the United States, products that practice claims 1, 3, 4, 8, 19, 21, 23, 29, 30, and 32 of the '619 patent in violation of 35 U.S.C. § 271(a); (b) has induced and continues to induce infringement of claims 1, 3, 4, 8, 19, 21, 23, 29, 30, and 32 of the '619 patent in violation of 35 U.S.C. § 271(b); and (c) has contributed and continues to contribute to the infringement of claims 1, 3, 4, 8, 19, 21, 23, 29, 30, and 32 of the '619 patent in violation of 35 U.S.C. § 271(c).

66. The accused products, alone or in combination with other products, directly or alternatively under the doctrine of equivalents practice each of the limitations of independent claims 1, and 19 as well as dependent claims 3, 4, 8, 21, 23, 29, 30, and 32 of the '619 patent in violation of 35 U.S.C. § 271(a).

67. Defendant's product literature, materials and instructional videos also advertise and encourage customers to use the accused product(s) for remote monitoring, which utilizes the devices described by the '619 patent and in a manner Defendant knows infringes the patent.

68. Upon information and belief, Defendant, in the United States, without authority, has also actively induced and continues to actively induce infringement of claims 1, 3, 4, 8, 19, 21, 23, 29, 30, and 32 of the '619 patent in violation of 35 U.S.C. § 271(b). In particular, Plaintiff alleges that the claims of the '619 patent are directly infringed by Defendant in violation of 35 U.S.C. § 271(a) in the course of their normal use. Also, Defendant encourages others to directly infringe the claims

1 of the '619 patent by among other things, advertising and promoting the sale and  
2 use of the accused products. Plaintiff also alleges that Defendant has knowingly  
3 induced and continues to induce infringement of the '619 patent by providing  
4 operating manuals, guides, instructional and /or informational videos and other  
5 materials designed to instruct others how to use the products in an infringing  
6 manner as more fully described herein.

7       69. Upon information and belief, Defendant, without authority, has  
8 contributed and continues to contribute to the infringement of claims 1, 3, 4, 8, 19,  
9 21, 23, 29, 30, and 32 of the '619 patent in violation of 35 U.S.C. § 271(c) by  
10 importing into the United States, selling and/or offering to sell within the United  
11 States accused products that it knows (a) infringe the aforementioned claims of the  
12 '619 patent by embodying a System and Method for Managing Mobile  
13 Communications which includes but the Dropcam and Dropcam Pro wireless  
14 camera systems, and without limitation, Defendant's server and subscription  
15 services for remote monitoring and communication as material components of the  
16 accused products, (b) which were made and/or especially adapted for use in the  
17 accused products, (c) which the Defendant knows to be especially adapted for use  
18 in infringing the '619 patent, and (d) are not staple articles of commerce suitable  
19 for substantial non-infringing use with respect to the '619 patent.

20        70. On information and belief, Defendant sells, ships or otherwise  
21 delivers the accused products with all the features required to infringe the asserted  
22 claims of the '619 patent. On information and belief, these products are designed  
23 to practice the infringing features.

24       71. Plaintiff has been irreparably harmed by these acts of infringement  
25 and has no adequate remedy at law. Upon information and belief, infringement of  
26 the '619 patent is ongoing and will continue unless Defendant is enjoined from  
27 further infringement by the court.

## **PRAYER FOR RELIEF**

WHEREFORE, Plaintiff prays for relief and judgment as follows:

1. That Defendant be declared to have infringed the Patents-in-Suit;

2. That Defendant, Defendant's officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with them, be preliminarily and permanently enjoined from infringement of the Patents-in-Suit, including but not limited to any making, using, offering for sale, selling, or importing of unlicensed infringing products within and without the United States;

3. Compensation for all damages caused by Defendant's infringement of the Patents-in-Suit to be determined at trial;

4. A finding that this case is exceptional and an award of reasonable attorneys fees pursuant to 35 U.S.C. § 285;

5. Granting Plaintiff pre-and post-judgment interest on its damages, together with all costs and expenses; and,

6. Awarding such other relief as this Court may deem just and proper.

## HANDAL & ASSOCIATES

Dated: July 1, 2014

By: /s/Pamela C. Chalk  
Anton N. Handal  
Pamela C. Chalk  
Gabriel G. Hedrick  
Attorneys for Plaintiff  
e.Digital Corporation

**DEMAND FOR JURY TRIAL**

Plaintiff hereby demands a trial by jury on all claims.

## HANDAL & ASSOCIATES

Dated: July 1, 2014

By: /s/Pamela C. Chalk  
Anton N. Handal  
Pamela C. Chalk  
Gabriel G. Hedrick  
Attorneys for Plaintiff  
e.Digital Corporation

## **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of the foregoing document has been served on this date to all counsel of record, if any to date, who are deemed to have consented to electronic service via the Court's CM/ECF system per CivLR 5.4(d). Any other counsel of record will be served by electronic mail, facsimile and/or overnight delivery upon their appearance in this matter.

I declare under penalty of perjury of the laws of the United States that the foregoing is true and correct. Executed this 1<sup>st</sup> day of July, 2014 at San Diego, California.

## HANDAL & ASSOCIATES

Dated: July 1, 2014

By: /s/Pamela C. Chalk  
Anton N. Handal  
Pamela C. Chalk  
Gabriel G. Hedrick  
Attorneys for Plaintiff  
e.Digital Corporation